Commonwealth of Kentucky Division for Air Quality

PERMIT STATEMENT OF BASIS

TITLE V (PERMIT MODIFICATION)
No. V-01-013 R1
GREEN TOKAI COMPANY - 1725 DOWNING DRIVE
MAYSVILLE, KENTUCKY
NOVEMBER 4, 2005
IL-WON SHIN, REVIEWER

SOURCE I.D. #: 021-161-00035 SOURCE A.I. #: 39209 ACTIVITY #: APE20050001

SOURCE DESCRIPTION:

Green Tokai Company (GTC) located at Maysville, Kentucky, manufactures plastic and rubber weather strip and sealing for the automobile industry. The manufacturing process includes plastic extrusion, flocking adhesive, cleaning, and finishing operations.

The source uses the facilities addressed in the Title V operating permit to manufacture a variety of automotive products from thermoplastic olefin (TPO) and polyvinyl chloride (PVC) plastic. These products are used for sealing and decorative products in automotive applications. A metallic core is coated with adhesive and then TPO or PVC is extruded on the core. The extruded plastic is then coated with a flocking adhesive and granulated nylon fibers ("floc") are applied. Following the forming of the basic extrusion, the products are processed in secondary and finishing departments where mounting hardware may be applied.

GTC currently operates five extrusion lines in compliance with the permit V-01-013 and now wishes to add a sixth line. This new line will have a similar configuration to the existing processes and GTC will remain within the group limits specified in the issued permit. Emission Points (EPs) 01 – 06 are described in the current Title V permit (V-01-013), and the proposed extrusion line #6 (EP 07) will be incorporated into the Title V revised permit (V-01-013 R1). The source has accepted a volatile organic compounds (VOC) emission limit of 90 tons per year (TPY) to preclude 401 KAR 50:012 and 59:225. The actual VOC shall not exceed 90 TPY. This annual emission limitation shall not be exceeded during any consecutive twelve months period for the entire source. The addition of extrusion line #6 will not affect this emission cap, as all six lines will be able to operate under this limit. Please refer to the Group Requirements/Section D in the revised permit V-01-013 R1.

This source is subject to Title V operating permit requirements since the potential to emit (PTE) for single hazardous air pollutant (HAP) emission for the facility currently exceeds 10 TPY. In addition, total PTE for all combined hazardous air pollutants currently exceeds 25 TPY. Both the Plastic Parts Coating Maximum Achievable Control Technology (MACT) (40 CFR 63 Subpart PPPP) and the Miscellaneous Metal Parts Coating MACT (40 CFR 63 Subpart MMMM) will apply to the source. Because the existing metal and plastic parts coating operations were in place prior to the rule proposal dates in 2002, the new extrusion line #6 will be considered an existing source and must comply with these standards by their respective compliance dates in 2007.

Statement of Basis GREEN TOKAI COMPANY - 1725 DOWNING DRIVE Page 2 of 4

Extrusion line #6 is not a new source for reasons discussed below.

40 CFR 63.4482(c)-(e) defines new, reconstructed and existing sources, respectively. Under (c), a source is new if it was installed after December 4, 2002 at a source where no plastic part coating or coating within the proposed subcategory had been performed. GTC's extrusion line #6 is therefore not "new" because they did perform plastic parts coating of both general plastic and TPO prior to December 2002. Under (d), the source is reconstructed if the fixed capital cost of reconstruction is greater than 50% of the cost for the entire source. The new line will not constitute more than 50% costs of the existing 5 lines. Therefore, the source is not reconstructed. Finally, (e) states that an affected source is existing if it is not new or reconstructed. As such, GTC will continue to be considered an existing source even after installation of extrusion line #6 and all 6 lines must comply with MACT requirements by April 19, 2007.

PERMIT REVISION V-01-013 R1:

The major revision construction permit application involves construction of plastic extrusion line #6 with incorporation into the Title V permit as follows:

Emission Point: 01 - 05, and 07 Extrusion Lines

Description (Continued):

07 Extrusion Line # 6

MP1 Extrusion Adhesive - adhesive application (R200). The consumption of material is 1.47 lbs per hr.

MP2 Adhesive Thinner - adhesive thinner application (TOLUENE).

The consumption of material is 1.47 lbs per hr.

MP3 Flocking Adhesive 1 - flocking adhesive application (ASQ100A).

The consumption of material is 2.20 lbs per hr.

MP4 Flocking Adhesive 2 - flocking adhesive application (ASP50B).

The consumption of material is 1.47 lbs per hr.

MP5 Cleaning - cleaning process (MEK).

The consumption of material is 0.56 lbs per hr.

Control Equipment None
Date of construction July 2005

COMMENTS:

VOC and HAP emissions are estimated from the maximum rated capacity of the facilities addressed under the construction/operation area of the Title V operating permit and all emission rates are based on mass balance calculations.

The MACT Subpart MMMM was issued as final on January 2, 2004 and the coating operations involving TPO coating are regulated by the National Emissions Standards for Hazardous Air Pollutants (NESHAP). Since construction of the initial facility extrusion and coating operations began prior to January 2, 2004, regulation 40 CFR 63 Subpart MMMM is an applicable

Statement of Basis GREEN TOKAI COMPANY - 1725 DOWNING DRIVE Page 3 of 4

regulation to the facility with a compliance date of January 2, 2007.

The MACT Subpart PPPP was issued as final on April 19, 2004 and the coating operations involving TPO coating are regulated by the National Emissions Standards for Hazardous Air Pollutants (NESHAP). Since construction of the initial facility extrusion and coating operations began prior to April 19, 2004, regulation 40 CFR 63 Subpart PPPP is an applicable regulation to the facility with a compliance date of April 19, 2007.

GTC's proposed extrusion line #6 would not be classified as a new source under either Subpart MMMM or Subpart PPPP MACT standards since the facility engaged in the coating of plastic and metal parts prior to the proposal dates of both rules.

Therefore, the extrusion line #6 is eligible to receive a permit for installation with a single HAP emission rate above 10 TPY as proposed in the permit application. The authorization is in essence temporary since GTC must meet the MACT standards by the respective compliance dates in 2007.

Type of control and efficiency:

There is no control for any pollutants in facility.

Emission factors and their source:

Mass balance is used for the emission factors for VOC and HAPS.

Applicable regulations:

401 KAR 63:002, National Emissions Standards for Hazardous Air Pollutants (Subpart MMMM and PPPP), applies to major sources of HAP.

40 CFR 63 Subpart MMMM, *National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products*, applies to major sources of NESHAP. The regulation 40 CFR 63 Subpart MMMM has to comply with a compliance date of January 2, 2007.

40 CFR 63 Subpart PPPP, National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products, applies to major sources of NESHAP. The regulation 40 CFR 63 Subpart PPPP has to comply with a compliance date of April 19, 2007.

401 KAR 63:020, *Potentially Hazardous Matter or Toxic Substances*, applies to each affected facility which emits or may emit potentially hazardous matter or toxic substances.

Regulations not applicable:

401 KAR 59:225, *New miscellaneous metal part coating operations*. The facility is not a major source for VOC and is not located in an ozone nonattainment area.

EMISSION AND OPERATING CAPS DESCRIPTION:

Statement of Basis GREEN TOKAI COMPANY - 1725 DOWNING DRIVE Page 4 of 4

The source has accepted VOC emission 90 TPY to preclude 401 KAR 50:012 and 59:225. The actual VOC shall not exceed 90 TPY. This annual limitation shall not be exceeded during any consecutive twelve months period for the entire source. The addition of extrusion line #6 will not affect this cap, as all six lines will be able to operate under this limit. Please refer to the Group Requirements / Section D in the revised permit V-01-013 R1.

PERIODIC MONITORING:

See the permit for Specific Monitoring Requirements, by group.

CREDIBLE EVIDENCE:

This permit contains provisions which require that specific test methods, monitoring or recordkeeping be used as a demonstration of compliance with permit limits. On February 24, 1997, the U.S. EPA promulgated revisions to the following federal regulations: 40 CFR Part 51, Sec. 51.212; 40 CFR Part 52, Sec. 52.12; 40 CFR Part 52, Sec. 52.30; 40 CFR Part 60, Sec. 60.11 and 40 CFR Part 61, Sec. 61.12, that allow the use of credible evidence to establish compliance with applicable requirements. At the issuance of this permit, Kentucky has not incorporated these provisions in its air quality regulations.